

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and PhotoSonoX LLC

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form which then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Board and agreed to by the parties involved.

This proposed agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professors Xueding Wang and Yannis Paulus are employees of the University of Michigan (“University”), and partial owners of PhotoSonoX LLC. The law permits such an Agreement provided it is disclosed to the Board of Regents (“Regents”) of the University of Michigan and approved in advance by a 2/3 vote.

Background:

Xueding Wang, PhD, a Professor in the Department of Biomedical Engineering - Medical School, and Yannis Paulus, MD, an Assistant Professor in the Department of Ophthalmology and Visual Sciences, are the partial owners of a for-profit company called PhotoSonoX LLC (the “Company”). The Company wishes to fund an NIH (prime) SBIR Phase I project entitled “The development of a high intensity ultrasound-aided laser thermal ablation system” (ORSP #19-PAF06463) in the Department of Biomedical Engineering under the direction of Dr. Wang. The purpose of this project is to evaluate and validate the superior performance of HIFU-aided LTA over HIFU and LTA in creating lesions in the liver in vivo when circulating blood is in presence.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately six (6) months. The amount of funding support will not exceed \$74,250. Since research projects are often amended, this agreement includes provisions for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

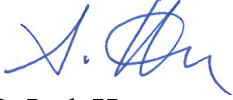
Impact of the Agreement:

The Agreement will support an effort by Dr. Wang to use his expertise and University laboratory, as well as other University resources, to work collaboratively with the Company by analyzing the experimental results and reporting the research findings.

Recommendations:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board. In light of this disclosure and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the University's entering into this Agreement with PhotoSonoX LLC.

Respectfully submitted,



S. Jack Hu
Vice President for Research

May 2019